



Market Update

Thursday, 25 September 2025

Global Markets

Some Bank of Japan board members, at a policy meeting in July, called for resuming interest rate hikes in the future, even as the board decided unanimously to keep borrowing costs steady, minutes of the July gathering showed on Thursday. While some members saw underlying inflation still short of the BOJ's 2% target, others saw inflation expectations approaching steadily or already having hit 2%, the minutes showed in a sign of growing awareness within the board of mounting inflationary pressure.

At a subsequent meeting in September, two board members dissented from the BOJ's decision to keep interest rates steady at 0.5%, instead calling unsuccessfully for a hike to 0.75%. The July discussion reinforces the dominant market view that the BOJ will raise interest rates again this year as a U.S.-Japan trade agreement has reduced uncertainty over the economic outlook.

"The BOJ's policy rate is lower than the level deemed neutral, with prices remaining relatively high and the output gap being around zero recently," one member was quoted as saying in the minutes of the July meeting. "In such a situation, it's appropriate for the BOJ to return the policy rate to its neutral level where possible," the member added.

Several other opinions also called for timely rate hikes with one saying the BOJ could see scope to hike again by the end of this year if the hit from U.S. tariffs proves limited. The BOJ ended a decade-long, massive stimulus last year and raised interest rates to 0.5% in January on the view Japan was on the cusp of durably achieving its 2% inflation target.

While Governor Kazuo Ueda has signaled the bank's readiness to keep raising rates, he stressed the need to tread cautiously due to the expected hit to Japan's exports from U.S. tariffs and uncertainty over the U.S. economy. At the July meeting, one member said the BOJ should wait for "a bit more data" as U.S. inflation and job market developments could cause big swings in U.S. monetary policy and exchange-rate moves, the minutes showed.

Others, however, said the United States was likely to avoid recession, while the impact of higher U.S. levies on Japan's economy could prove limited, the minutes showed.

Source: LSEG Thomson Reuters Refinitiv.

Domestic Markets

The South African rand was little changed in early trade on Thursday before the release of local producer inflation data. At 0746 GMT the rand traded at 17.3500 against the dollar , less than 0.1% stronger than Wednesday's closing level of 17.3650.

Economists polled by Reuters expect year-on-year producer inflation to edge up to 1.8% in August from 1.5% in July.

Nedbank economists said in a research report that food products were likely to exert upward pressure on the Producer Price Index due to an outbreak of foot and mouth disease which has driven meat costs higher.

But deflation in other categories like fuel should counteract that, they added.

Inflation in Africa's biggest economy has been well-contained this year, allowing the central bank to cut its main interest rate three times. It paused its rate cuts at this month's policy meeting while it assesses the impact of previous cuts.

On the Johannesburg Stock Exchange, the Top-40 index was down 0.9%. The benchmark 2035 government bond was slightly weaker in early deals, as the yield rose 2 basis points to 9.105%.

Source: LSEG Thomson Reuters Refinitiv.

You must do the things you think you cannot do.

Eleanor Roosevelt

Market Overview

MARKET INDICATORS		24 September 2025			
Money Market TB's		Last Close	Change	Prev Close	Current Spot
3 months	↓	7.32	-0.007	7.33	7.32
6 months	↓	7.42	-0.024	7.44	7.42
9 months	↓	7.46	-0.043	7.50	7.46
12 months	↓	7.45	-0.056	7.51	7.45
Nominal Bonds		Last Close	Change	Prev Close	Current Spot
GC26 (Coupon 8.50%, BMK: R186)	→	7.41	0.000	7.41	7.33
GC27 (Coupon 8.00%, BMK: R186)	↓	7.72	-0.027	7.74	7.66
GC30 (Coupon 8.00%, BMK: R2030)	↓	8.64	-0.033	8.67	8.56
GC32 (Coupon 9.00%, BMK: R213)	↓	9.29	-0.022	9.31	9.21
GC35 (Coupon 9.50%, BMK: R209)	↓	10.23	-0.045	10.27	10.12
GC37 (Coupon 9.50%, BMK: R2037)	↓	10.70	-0.042	10.75	10.59
GC40 (Coupon 9.80%, BMK: R214)	↓	11.10	-0.013	11.12	11.01
GC43 (Coupon 10.00%, BMK: R2044)	↓	11.28	-0.032	11.32	11.16
GC45 (Coupon 9.85%, BMK: R2044)	↓	11.48	-0.033	11.52	11.36
GC50 (Coupon 10.25%, BMK: R2048)	↓	11.63	-0.030	11.66	11.50
Inflation-Linked Bonds		Last Close	Change	Prev Close	Current Spot
GI27 (Coupon 4.00%, BMK: NCPI)	→	4.58	0.000	4.58	4.53
GI29 (Coupon 4.50%, BMK: NCPI)	→	5.05	0.000	5.05	4.99
GI33 (Coupon 4.50%, BMK: NCPI)	→	5.38	0.000	5.38	5.33
GI36 (Coupon 4.80%, BMK: NCPI)	→	5.95	0.000	5.95	5.90
Commodities		Last Close	Change	Prev Close	Current Spot
Gold	↑	3,764	0.46%	3,747	3,771
Platinum	↑	1477	4.09%	1419	1472
Brent Crude	↑	67.6	1.59%	66.57	67.55
Main Indices		Last Close	Change	Prev Close	Current Spot
NSX Local Index	↑	1142	0.53%	1136	1142
JSE All Share	↑	106,693	0.69%	105,963	106,693
S&P 500	↓	6,657	-0.55%	6,694	6,657
FTSE 100	↓	9,206	-0.18%	9,223	9,206
Hangseng	↑	26,519	1.38%	26,159	26,519
DAX	↓	23,592	-0.08%	23,611	23,592
JSE Sectors		Last Close	Change	Prev Close	Current Spot
Financials	↓	21,553	-1.39%	21,856	21,698
Resources	↑	105,327	2.37%	102,889	108,368
Industrials	↓	140,097	-0.90%	141,374	139,129
Forex		Last Close	Change	Prev Close	Current Spot
N\$/US Dollar	↓	17.25	-0.46%	17.33	17.27
N\$/Pound	↓	23.33	-0.38%	23.42	23.29
N\$/Euro	↓	20.38	-0.39%	20.46	20.33
US Dollar/ Euro	↑	1.182	0.17%	1.18	1.18
Interest Rates & Inflation		Namibia	RSA		
		Aug-25	Jul-25	Aug-25	Jul-25
Central Bank Rate	→	6.75	6.75	7.00	7.00
Prime Rate	→	10.50	10.50	10.50	10.50
		Aug-25	Jul-25	Aug-25	Jul-25
Inflation	↓	3.2	3.5	3.3	3.5

Notes to the table:

- The money market rates are TB rates
- “BMK” = Benchmark
- “NCPI” = Namibian inflation rate
- “Difference” = change in basis points
- Current spot = value at the time of writing
- NSX is the Overall Index, including dual listed

Source: Thomson Reuters Refinitiv

Important note: This is not a solicitation to trade and CAM will not necessarily trade at the yields and/or prices quoted above. The information is sourced from the data vendor as indicated. The levels of and changes in the yields need to be interpreted with caution due to the illiquid nature of the domestic bond market.



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